



1 Section 426. A. The tax on retail medical marijuana sales will  
2 be established at seven percent (7%) of the gross amount received by  
3 the seller.

4 B. This tax will be collected at the point of sale. Except as  
5 provided for in subsection D of this section, tax proceeds will be  
6 applied primarily to finance the regulatory office.

7 C. Except as provided for in subsection D of this section, if  
8 proceeds from the levy authorized by subsection A of this section  
9 exceed the budgeted amount for running the regulatory office, any  
10 surplus shall be apportioned with seventy-five percent (75%) going  
11 to the General Revenue Fund and may only be expended for common  
12 education including funding redbud school grants pursuant to Section  
13 3-104 of Title 70 of the Oklahoma Statutes. Twenty-five percent  
14 (25%) shall be apportioned to the ~~Oklahoma~~ State Department of  
15 Health and earmarked for drug and alcohol rehabilitation.

16 D. For fiscal year ~~2022~~ 2023 and for each fiscal year  
17 thereafter, proceeds from the levy authorized by subsection A of  
18 this section shall be apportioned as follows:

19 1. The first ~~Sixty-five Million Dollars (\$65,000,000.00)~~ Five  
20 Million Dollars (\$5,000,000.00), allocated in equal monthly amounts  
21 of one-twelfth (1/12) during each fiscal year, shall be apportioned  
22 ~~as follows:~~

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1 a. ~~fifty-nine and twenty-three hundredths percent~~  
2 ~~(59.23%) to the State Public Common School Building~~  
3 ~~Equalization Fund,~~

4 b. ~~thirty-four and sixty-two hundredths percent (34.62%)~~  
5 ~~to the Oklahoma Medical Marijuana Authority, a~~  
6 ~~division within the Oklahoma State Department of~~  
7 ~~Health, and~~

8 c. ~~six and fifteen hundredths percent (6.15%) to the~~  
9 ~~Oklahoma State Department of Health and earmarked for~~  
10 ~~drug and alcohol rehabilitation to the County Sheriff~~  
11 ~~Public Safety Grant Revolving Fund created pursuant to~~  
12 ~~Section 2 of this act; and~~

13 2. Any surplus collections, in excess of the monthly allocation  
14 required by paragraph 1 of this subsection, shall be apportioned to  
15 the General Revenue Fund of the State Treasury.

16 SECTION 2. NEW LAW A new section of law to be codified  
17 in the Oklahoma Statutes as Section 427.3A of Title 63, unless there  
18 is created a duplication in numbering, reads as follows:

19 There is hereby created in the State Treasury a revolving fund  
20 for the Oklahoma Medical Marijuana Authority to be designated the  
21 "County Sheriff Public Safety Grant Revolving Fund". The fund shall  
22 be a continuing fund, not subject to fiscal year limitations, and  
23 shall consist of all monies received by the Oklahoma Medical  
24 Marijuana Authority from the apportionment of the excise tax on

1 medical marijuana as provided by Section 426 of Title 63 of the  
2 Oklahoma Statutes. All monies accruing to the credit of said fund  
3 are hereby appropriated and may be budgeted and expended by the  
4 Oklahoma Medical Marijuana Authority for the purpose specified by  
5 paragraph 12 of subsection D of Section 427.3 of Title 63 of the  
6 Oklahoma Statutes. Expenditures from said fund shall be made upon  
7 warrants issued by the State Treasurer against claims filed as  
8 prescribed by law with the Director of the Office of Management and  
9 Enterprise Services for approval and payment.

10 SECTION 3. AMENDATORY 63 O.S. 2021, Section 427.3, is  
11 amended to read as follows:

12 Section 427.3 A. There is hereby created the Oklahoma Medical  
13 Marijuana Authority within the State Department of Health which  
14 shall address issues related to the medical marijuana program in  
15 Oklahoma including, but not limited to, the issuance of patient  
16 licenses and medical marijuana business licenses, and the  
17 dispensing, cultivating, processing, testing, transporting, storage,  
18 research, and the use of and sale of medical marijuana pursuant to  
19 the Oklahoma Medical Marijuana and Patient Protection Act.

20 B. The Department shall provide support staff to perform  
21 designated duties of the Authority. The Department shall also  
22 provide office space for meetings of the Authority.

23 C. The Department shall implement the provisions of the  
24 Oklahoma Medical Marijuana and Patient Protection Act consistently

1 with the voter-approved State Question No. 788, Initiative Petition  
2 No. 412, subject to the provisions of the Oklahoma Medical Marijuana  
3 and Patient Protection Act.

4 D. The Department shall exercise its respective powers and  
5 perform its respective duties and functions as specified in the  
6 Oklahoma Medical Marijuana and Patient Protection Act and this title  
7 including, but not limited to, the following:

8 1. Determine steps the state shall take, whether administrative  
9 or legislative in nature, to ensure that research on marijuana and  
10 marijuana products is being conducted for public purposes, including  
11 the advancement of:

- 12 a. public health policy and public safety policy,
- 13 b. agronomic and horticultural best practices, and
- 14 c. medical and pharmacopoeia best practices;

15 2. Contract with third-party vendors and other governmental  
16 entities in order to carry out the respective duties and functions  
17 as specified in the Oklahoma Medical Marijuana and Patient  
18 Protection Act;

19 3. Upon complaint or upon its own motion and upon a completed  
20 investigation, levy fines as prescribed in applicable laws, rules  
21 and regulations and suspend, revoke or not renew licenses pursuant  
22 to applicable laws, rules and regulations;

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1           4. Issue subpoenas for the appearance or production of persons,  
2 records and things in connection with disciplinary or contested  
3 cases considered by the Department;

4           5. Apply for injunctive or declaratory relief to enforce the  
5 provisions of applicable laws, rules and regulations;

6           6. Inspect and examine all licensed premises of medical  
7 marijuana businesses, research facilities, education facilities and  
8 waste disposal facilities in which medical marijuana is cultivated,  
9 manufactured, sold, stored, transported, tested, distributed or  
10 disposed of;

11           7. Upon action by the federal government by which the  
12 production, sale and use of marijuana in Oklahoma does not violate  
13 federal law, work with the Oklahoma State Banking Department and the  
14 State Treasurer to develop good practices and standards for banking  
15 and finance for medical marijuana businesses;

16           8. Establish internal control procedures for licenses including  
17 accounting procedures, reporting procedures and personnel policies;

18           9. Establish a fee schedule and collect fees for performing  
19 background checks as the Commissioner deems appropriate. The fees  
20 charged pursuant to this paragraph shall not exceed the actual cost  
21 incurred for each background check;

22           10. Establish a fee schedule and collect fees for material  
23 changes requested by the licensee; and  
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1 11. Establish regulations, which require a medical marijuana  
2 business to submit information to the Oklahoma Medical Marijuana  
3 Authority, deemed reasonably necessary to assist the Authority in  
4 the prevention of diversion of medical marijuana by a licensed  
5 medical marijuana business. Such information required by the  
6 Authority may include, but shall not be limited to:

- 7 a. the square footage of the licensed premises,
- 8 b. a diagram of the licensed premises,
- 9 c. the number and type of lights at the licensed medical  
10 marijuana commercial grower business,
- 11 d. the number, type and production capacity of equipment  
12 located at the medical marijuana processing facility,
- 13 e. the names, addresses and telephone numbers of  
14 employees or agents of a medical marijuana business,
- 15 f. employment manuals and standard operating procedures  
16 for the medical marijuana business, and
- 17 g. any other information as the Authority reasonably  
18 deems necessary; and

19 12. Establish programs and provide funding, from the revenues  
20 apportioned pursuant to paragraph 1 of subsection D of Section 426  
21 of this title, to support county sheriffs to enforce the  
22 requirements of state law with respect to the commercial growth of  
23 medical marijuana or other related business activity for which a  
24 license is required pursuant to the provisions of law governing the

1 production, cultivation, transportation, distribution, sale, or  
2 other actions related to medical marijuana.

3 SECTION 4. This act shall become effective July 1, 2022.

4 SECTION 5. It being immediately necessary for the preservation  
5 of the public peace, health or safety, an emergency is hereby  
6 declared to exist, by reason whereof this act shall take effect and  
7 be in full force from and after its passage and approval.

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9 COMMITTEE REPORT BY: COMMITTEE ON CRIMINAL JUSTICE AND CORRECTIONS,  
10 dated 02/10/2022 - DO PASS, As Amended and Coauthored.

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